



Commonwealth of Kentucky Public Protection Cabinet

Steven L. Beshear, Governor

Robert D. Vance, Secretary

FOR IMMEDIATE RELEASE

CONTACT: Kelly May
502-573-3390 x252
800-223-2579 x252
502-229-5068 Cell

Jonathan Leber Sentenced to 10 Years in Prison ***Ordered to Pay \$210,300 in Restitution to Jefferson County Victims***

FRANKFORT, Ky. – (June 29, 2012) – Jonathan Leber, 36, of Glasgow, was sentenced in Jefferson County Circuit Court on Wednesday to 10 years in prison and ordered to pay restitution of \$210,300 to Jefferson County victims. Leber pleaded guilty to two counts of theft by deception and two counts of failure to register as a broker-dealer agent. The terms will be served concurrently for a total of 10 years.

The Department of Financial Institutions (DFI) and Louisville Metro Police Department investigated the case, which was prosecuted by the Jefferson County Commonwealth's Attorney.

Portraying himself as a financial advisor, Leber took retirement funds and life insurance money, promising to invest them in a variety of products. However the products did not actually exist and the funds were not invested. He provided his clients with fraudulent statements showing details of the "invested" funds, while in actuality, he was using those funds to operate and improve a personal, unrelated business. Leber also used money from the second round of investors to eventually repay part of the first investors' money, in a Ponzi scheme tactic.

"It's always sad when people lose their pensions and college funds because a criminal wants more money. It's heartbreaking," said Assistant Commonwealth's Attorney John Balenovich.

Before investing, investors should check with DFI, Kentucky's state securities regulator, to verify if the investment opportunity and the seller are registered. Call 800-223-2579 or visit <http://kfi.ky.gov/public/Pages/invest.aspx>.

"Because the victims stepped forward and reported this fraud, we were able to bring resolution to these investors," said DFI Securities Division Director Shonita Bossier. "One of the best ways to prevent fraud from happening is to do your research before investing. Check the registration and background of your broker-dealer agent or investment advisor representative as well as the registration of the security being offered."

In a separate court action, Leber was indicted June 13 by a federal grand jury in Bowling Green on charges of defrauding clients in Kentucky and southern Indiana of approximately \$2.4 million. The United States Attorney for the Western District of Kentucky is prosecuting this separate case that was investigated by the Federal Bureau of Investigation.

DFI, which traces its origin to the Banking Act of 1912, is an agency in the Public Protection Cabinet. For 100 years it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI's mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.

###